

FIANL MEETING SUMMARY

HANFORD ADVISORY BOARD BUDGETS AND CONTRACTS COMMITTEE MEETING February 11 & 12, 2008 Richland, WA

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This is only a summary of issues and actions in this meeting. It may not represent the fullness of ideas discussed or opinions given, and should not be used as a substitute for actual public involvement or public comment on any particular topic unless specifically identified as such.

BUDGETS AND CONTRACTS COMMITTEE MEETING – DAY 1 February 12, 2008

Welcome and Introductions

Gerry Pollet, Budgets and Contracts Committee (BCC) chair, welcomed everyone and introductions were made. Gerry reviewed the goals of the meeting and summarized the agenda items. The committee approved the January meeting summary.

DOE Baselines Work Session

Jon Peschong, Department of Energy – Richland Operations Office (DOE-RL), explained there are differences between the DOE-RL and DOE – Office of River Protection (DOE-ORP) baselines. DOE-ORP has a validated baseline, because it covers the life of the Waste Treatment Plant (WTP), a capital construction project. DOE-RL has a certified baseline, which covers the scope of work over a five year period.

Jon said a certified baseline confirms the scope, can be accomplished in five years and within the stated costs and completion dates, and is funded consistent with the cost profile. Beyond five years, the reasonableness of the baseline should be verified. Jon said

the baselines are developed locally and include groupings of the tens of thousands of scope definitions, cost estimates, activities, and risks. DOE has a Project Management Organization (OECM) that hires an independent expert to review and certify the baseline. The baseline expert spends five weeks off-site reviewing the baseline material and then spends one week on-site at Hanford. Their findings and observations are resolved through corrective actions as necessary. Once corrective actions are made the OECM recommends whether the baseline should be certified.

Jon compared the DOE-RL Fiscal Year 2009 (FY09) President's budget request, FY09 certified baseline, and FY08-50 certified baseline. Jon noted that the total funding in the 2008 DOE-Environmental Management five year plan is equal under the FY09 President's budget request and the FY09 certified baseline; however, funding for specific project baselines (PBS) is different.

The committee discussed planning for a workshop to review and discuss DOE long-term baselines.

Regulator Perspective

- Ron Skinnarland, Washington State Department of Ecology (Ecology), said he thought a baselines workshop should include a comparison of Tri-Party Agreement (TPA) requirements and what is in the baseline.

Committee Discussion

- *Are the baselines certified as a whole, or do portions of the baselines get certified separately?* Jon said the baseline projects often get certified separately. DOE-RL had seven projects, three were certified individually and four were certified as a package. Delmar Noyes, DOE-ORP, said DOE-ORP had two projects certified individually.
- *Who determines the level of review?* Jon said when a baseline change request is issued it goes to several different people for approval and they determine what type of review is done. Jeff Frey, DOE-RL, compared the certification process to the Critical Decision process. He said certification of the baseline is one element in getting a program certified. Pete Furlong, DOE-RL, said DOE-Headquarters (DOE-HQ) reviewed the baselines' technical scope, cost and schedule. DOE-HQ decided the cost, schedule and scope was appropriate and certified the baseline sent to Congress.
- *Does the independent reviewer consider business risk?* Jon said business risk is considered and the list of reviewed elements includes 20-25 items and is very comprehensive. Delmar added the independent review is looking at the process and determining how to manage risk.
- *Have the regulatory agencies reviewed the DOE baseline information enough to know if it meets TPA requirements?* Ron said when Ecology originally saw the baseline information they were not aware of the funding shortfalls for FY09, so Ecology needs to review the baseline information more closely. Given the recent Hanford cleanup funding shortfalls, Ron said the Hanford Advisory Board (HAB or

Board) could help the regulatory agencies define overall priorities and items to emphasize over the next five years.

- Pam Larsen recommended that the regulatory agencies contribute to the presentation of the baselines at the workshop to help focus the conversation. Gerry said the regulatory agencies will need time to review the baselines prior to the workshop. Rod Lobos, Environmental Protection Agency (EPA), said he was asked to look at the information EPA has been given on DOE baselines and see how it will affect the memorandum of understanding (MOU).
- *How does DOE calculate the cost of laying off workers and bringing them back at a later time when evaluating the funding delta?* Delmar said laying off workers and re-hiring them is evaluated during baseline development; they look at the work and man power impacts to maximize efficiency. Jeff Frey said that is something the independent review team looked at to see if DOE had issues with ramping up operations. Pete emphasized that a one dollar reduction in funding from Congress will require two dollars the next year to make up.
- *Should the workshop be for the BCC only or should it be a committee of the whole (COTW)?* Bob Suyama felt the workshop needs to be for the whole HAB because the budget impacts everything. Others agreed that the workshop should include all the committees.
- *Is there an audience for the workshop beyond the HAB?* Pam said that all HAB meetings are open to the public so anyone is welcome to attend, but the information should be at an appropriate level for the HAB.
- *Will the workshop address both the baseline information and the FY09 & FY10 budget information?* Gerry felt the workshop should focus on the baselines and follow up with a separate workshop on the FY09 and FY10 budget details at a later date. He said the goal is to build on the information and knowledge base through these workshops. Delmar agreed there is value to talking about baseline and budget in two steps. The baseline is not the same as the budget so using it as a reference is good but they should not be mixed.
- Rod clarified the level of detail EPA would like to see in the baselines. For example, if 15 wells are needed during a certain timeframe and the budget is not available for all 15 wells, EPA would need to know which ones will be funded.
- *How should the agencies present the information?* Maynard Plahuta suggested asking for the information by area. Gerry said looking at the information by area requires the regulators to choose which projects to highlight that are of particular concern. Jeff Luke said the baseline looks at accomplishing activities over time, the TPA does this too. The workshop should begin by looking at the baseline over a five year period and compare it to the TPA over the same time period, focusing on activities and not dollars. Ron asked if the proposed workshop would focus on scope or schedule. Gerry said it would be focused on scope.
- Ken Niles emphasized that the key assumptions throughout the baseline should be captured. Delmar said the DOE-OPR baseline is not consistent with the TPA end dates but the focus and priorities are on track.

- *Would the workshop exclude the Waste Treatment Plant (WTP) baseline because the HAB has looked at it in the past?* Pam said the Tank Waste Committee (TWC) has concerns about the interim pre-treatment system (IPS) because if it does not work then WTP will not work. Pete clarified that if IPS does not work it delays WTP operation. Gerry said IPS is in the tank farms baseline and not WTP so it would be covered. Ron said it would not hurt to look at the WTP scope too because if the workshop includes supplemental treatment and pretreatment it will be necessary to evaluate the whole picture.
- Gerry felt the workshop should define the end states for the soil sites and groundwater for the long term baseline. Jeff Frey said DOE has been using the term “assumed remedy” instead of end state. DOE has had to plan ahead on a lot of environmental decisions, so they assume remedies based on how much waste they know will be retrieved and how long it will take to cleanup the site. Jeff suggested that the questionable risk points be addressed during the workshop.
- Maynard said there will be areas where the HAB does not agree with the assumed remedy, but this is a good opportunity to have the information presented. Jeff Luke agreed with Maynard, and said whether HAB members agree or disagree with the assumed remedy is irrelevant for the purpose of the workshop.
- *Is one of the assumptions in the baseline schedule that the funding profile is flat?* Jeff Frey said DOE used a five year plan to develop the baseline and can share the information about that process during the workshop. Delmar said DOE-ORP can show what their baseline funding profile is, but the budget was released later than the RL budget so it might not be as developed.
- Gerry said last year the committee received information from DOE-RL on their ten year guidance but did not receive the same information from DOE-ORP. Delmar said DOE-ORP has been working with DOE-RL to provide the same amount of consistent budget information this year. Jeff Frey said DOE-RL is still awaiting the multi-year profile, but can discuss the baseline.
- Gerry summarized the plan for the workshop: the workshop would reserve a half day for DOE-RL and half day for DOE-ORP. During the first portion of the workshop each DOE field office will provide an overview presentation of baseline information broken down by major project and/or geographic area, which will include the following: assumed remedy, project costs, completion dates, schedule uncertainties and risks, interconnections between projects and/or areas, and how the baseline schedule compares to the Tri-Party Agreement milestones. The second portion of the workshop will be spent on specific topics identified by the committees and regulators.
- Susan Leckband asked what BCC sees as the framework for advice from baseline information. Gerry said that is hard to say until the workshop happens, but BCC plans to provide the typical budget advice on short term prioritization and may include long term prioritization advice as well.
- Jeff Frey suggested establishing ground rules early in the workshop so everyone understands the expectations and participants are not tempted to bring up issues the agencies are not prepared to discuss. Gerry agreed and said he will clarify the

workshop will not cover funding for the FY08-10 budgets and that the workshop is not a budget funding conversation.

- *What is the timeline for the workshop?* Shannon Ortiz, DOE-RL, said DOE-RL is currently trying to schedule a baseline briefing with the regulators and will do so by March 1. Susan asked if the advice development needs to happen in time for the April Board meeting. Gerry said it may have to wait until June given the regulatory agencies need to be briefed and DOE will need time to prepare workshop materials. Maynard said the committees will have to meet to discuss the specific topics they would like to address prior to the workshop as well. Pam asked if the workshop should be held prior to the budget workshops. Gerry said that would be ideal but might not be possible.
- Dick Smith suggested the baseline workshop is a good basis for beginning to talk about the lifecycle cost and schedule report. Gerry said he views the workshop as a building block for such a report.
- Gerry asked that each committee prepare three to five topics on which to receive detailed information from DOE at the workshop.

FY08 Budget Allocation and FY09 President's Budget Request – DOE-ORP

Delmar Noyes and Pete Furlong presented an overview of DOE-ORP's FY09 Presidential Budget Request. Delmar reviewed DOE-ORP's priorities that guide budget development, including constructing the WTP by FY 2019, completing the WTP low-activity waste (LAW) facility by FY 2012, continuing to develop retrieval technology, increasing proficiencies, continuing to develop Demonstration Bulk Vitrification System (DBVS), and enhancing the single-shell tank (SST) integrity program.

Delmar reviewed DOE-ORP's Budget Summary from FY07 to the FY09 Presidential Budget Request. Tank Farm funding increased, whereas LAW facility funding decreased; overall WTP funding has stayed consistent and DOE-ORP's overall budget has increased slightly. Delmar then walked the committee through funding at the PBS level for each of DOE-ORP's programs from FY07 to FY09. He highlighted FY07 accomplishments, outlined significant changes from FY08 to FY09, and highlighted the FY08 & FY09 planned accomplishments. Delmar also discussed which activities are at risk due to budgetary issues in the next two years, including initiating negotiations of the SST waste retrieval and closure activities, completing negotiations within 150 days, and completing startup and turnover activities for waste retrieval and immobilization systems for high level waste (HLW) feed tank.

Pete provided an overview of WTP program funding from FY07 through FY09. LAW and pretreatment funding continues to increase, whereas HLW funding has decreased from FY08 to FY09. Pete provided an overview of the percent complete of each project within WTP. Delmar highlighted FY07 accomplishments and reviewed the planned accomplishments for FY08 and FY09.

Delmar briefly discussed the impacts from the S-102 tank spill. He said the spill caused large impacts and DOE-ORP is focused on learning from the event and minimizing the potential for reoccurrence. Delmar said he expects the cost of the cleanup and investigation to be around \$8 million. That number includes recovery, response, cleanup and the investigation. DOE-ORP has action plans and hundreds of specific actions they are working on to improve performance. Tank waste retrievals are not ongoing and DOE-ORP will do a readiness review before startup of tank C-109. Delmar said they are unsure when retrieval of waste in tank S-102 itself will start back up, since DOE-ORP needs a new retrieval technology to remove the rest of the waste out of that tank.

Regulator Perspectives

- Ron said it appears the FY09 budget request funding enables the WTP to stay on schedule and start in 2019. Ecology is concerned about work that needs to be done in tank farms to store the waste safely. The project is \$100 million short of compliance. Ron said retrieval at the rate of one tank per year will not get the site cleaned up by the agreed dates. Ecology is encouraged by the work to assess SST integrity. Ron said there is funding to begin work on supplemental treatment but the total cost will require hundreds of millions in funding that is not available.

Committee Discussion

- *Are the hose-in-hose systems being replaced?* Delmar explained they do not need to be replaced because they are no longer needed in mission operations.
- *Why is continued soil characterization not included in the FY09 budget request activities?* Delmar said the soil characterization is included under tank farms.
- *Will the C Farm be completed?* Delmar said that is currently in negotiation.
- Gerry asked that the information on the soil characterization work and SST leak detection be sent out for the committee to review. Delmar agreed to distribute this information to the Board.
- *Given the assumed fee in the contractor work scope, what happens if the contractor does not complete the work?* Delmar explained that if the contractor does more work they have the ability to get more fee, but if they do not complete some of the scoped activities, the fee will not be awarded.
- *What are the consequences of cleanup delays?* Delmar said DOE-ORP does not know the lifecycle impacts yet but will be identifying those. Keith Smith pointed out that by delaying activities DOE will run the risk of increasing the costs.
- *Although the list of approved baseline work scope not included in FY09 budget request does not show retrievals, are any retrievals planned?* Delmar said DOE-ORP assumed one retrieval per year for the first five years of the approved baseline and then a gradual ramp up in retrievals beginning in 2014.
- *Is the aluminum removal test funded in WTP?* Pete said they are looking at aluminum removal in WTP. There is an engineering pretreatment platform that allows the

pretreatment process to be tested in order to understand the process capabilities. This work is different than IPS.

- *How tall is the pretreatment building?* Pete said it will be 120 feet tall with five floors.
- *Is there funding available if technical issues require elements of the WTP buildings to be redesigned?* Pete said their hope is that the pretreatment engineering platform will validate the design. However, DOE-ORP will not install piping until the design is approved. If there is a design change DOE may have to push work out to 2010, but there is money available for those contingencies.
- *Are the dollars for the S-102 tank spill being reallocated from 2007 to 2008?* Delmar said the money will show up as work they were planning to do in retrieval and will produce negative earned value numbers. The schedule and cost impact are mostly in retrieval; the money is not coming from other cleanup activities. The retrieval schedule is pushed out because of the spill and the money targeted for retrieval is being used on cleanup instead.
- *What is the amount of funding for early LAW?* Delmar said DOE-ORP identified a mission need in the range of \$188-300 million for construction activities and assumed a 2014 completion date. DOE-ORP received \$6 million this year for engineering work. DOE-ORP has not made a commitment to move forward, but if it does there could be more funding. Gerry suggested that it would be good to know how much funding would be required for 2009 so stakeholders will know how much funding they need to advocate for. Delmar added that they will need additional funding after “critical decision 1.”
- Ken Gasper asked that Delmar present additional details to the Tank Waste Committee regarding how DOE gains confidence in the \$16 million as a rough number for what it takes to retrieve a tank. Delmar said he would provide the committee with more detailed information.

Action Items / Commitments

Jeff Luke said the Board heard during the January meeting that the TPA negotiations are on hold because of Ecology’s concerns. There is a good chance there will be a lawsuit but it will likely not be announced until October, at which point negotiations will have been on hold for roughly a year. Jeff said he is interested in knowing what issues Ecology has that are holding up the negotiations.

Gerry said the committee heard clearly and publicly DOE’s position that they will not agree to anything new that is not in their funding guidance. Gerry said he thought Ecology has held up negotiations because they are enforcing TPA milestones. Ken added that the HAB has taken initiative to write a letter to James Rispoli, DOE Assistant Secretary of Environmental Management, regarding the lifecycle cost and schedule report and to say the Board is looking forward to the release of the Tank Closure & Waste Management Environmental Impact Statement (TC&WM EIS), both of which will provide a stronger basis for negotiating milestone delays. Ken said the Board asked

Ecology to continue enforcing the current milestones until other documents become available to do otherwise. Al Boldt explained that DOE is only willing to produce the lifecycle cost and schedule report as a product of the TPA negotiations.

Given the Board's input, Jeff said he is interested in asking Ecology why they are waiting until October to file a lawsuit if that is what they intent to do. Gerry said he believes Ecology and the Attorney General may be waiting to see the FY10 budget request to determine if DOE intends to do the work agreed to under the TPA. If DOE does not ask for the funding to complete the necessary work it could be viewed as cause for litigation.

Dick asked, hypothetically, if the lifecycle cost and schedule report would be based on the existing baseline. Steve Wiegman, DOE-ORP, said the discussions have not determined the scope of such a report. Dick said it appears difficult for Ecology and EPA to negotiate milestones without the whole, lifecycle picture. Steve said that is why this meeting is important to continue the dialogue.

Handouts

NOTE: Copies of meeting handouts can be obtained through the Hanford Advisory Board Administrator at (509) 942-1906, or tholm@enviroissues.com

- Performance Measurement Baseline – Tank Farm Operations, DOE, February 2008.
- Hanford Advisory Board – Budgets & Contracts Committee Meeting, Department of Energy Baseline Discussion, DOE, February 11, 2008.
- FY 2009 Congressional Budget Request – Environmental Management Office of River Protection, Delmar Noyes DOE-ORP, February 11, 2008.

Attendees

HAB Members and Alternates

Al Boldt	Jeff Luke	
Ken Gasper	Ken Niles (phone)	
Norma Jean Germond (phone)	Gerry Pollet	
Maynard Plahuta	Dick Smith	
Pam Larsen	Keith Smith	
Susan Leckband	Bob Suyama	

Others

Kim Ballinger, DOE-RL	Madeleine Brown, Ecology	Ed Revell, City of Richland
Jon Peschong, DOE-RL	Dru Butler, Ecology	Karen Livas, CH2M Hill
Al Farabee, DOE-RL	Ron Skinnarland, Ecology	Earl Fordham, DOH
Jeff Frey, DOE-RL	Rod Lobos, EPA	Cathy McCague, EnviroIssues
Shannon Ortiz, DOE-RL		Jason Mulvihill-Kuntz, EnviroIssues
Lisa Copeland, DOE-ORP		Emily Neff, EnviroIssues
Janet Diediker, DOE-ORP		Barb Wise, FH
Pete Furlong, DOE-ORP		Annette Cary, Tri-City Herald

Lori Gamache, DOE-ORP		
Delmar Noyes, DOE-ORP		
Wayne Watts, DOE-ORP		
Steve Wiegman, DOE-ORP		

BUDGETS AND CONTRACTS COMMITTEE MEETING – DAY 2
February 12, 2008

Welcome and Introductions

Gerry Pollet, BCC chair, welcomed the committee and introductions were made. Gerry explained the purpose for the meeting was for the committee to discuss the DOE FY08 budget allocation and FY09 Presidential budget request.

Fiscal Year 2008 (FY08) Budget Allocation and Fiscal Year 2009 (FY09) President's Budget Request – Department of Energy, Richland Operations Office (DOE-RL)

Shannon Ortiz, DOE-RL, provided the information on DOE-RL's FY09 Presidential budget request. Shannon reviewed DOE-RL's FY09 cleanup priorities that influenced the budget request. Maintaining safe and compliant facilities, executing cleanup, meeting community and regulatory obligations, remediation of Central Plateau waste sites, and decommissioning and demolishing (D&D) Central Plateau facilities were some of the FY09 priorities listed. Shannon highlighted the DOE-RL budget summary from FY07 to the FY09 Presidential budget request. The total DOE-RL budget has decreased slightly with the main reduction occurring in the Fast Flux Test Facility (FFTF) D&D work. Shannon reviewed the budget information at the PBS level for all DOE-RL activities between FY07 and FY09. She highlighted FY07 accomplishments and FY08 and FY09 planned accomplishments. Shannon also discussed significant changes in funding from FY08 to FY09. The major decreases in funding include D&D activities, slow down of transuranic (TRU) waste retrieval, deferred design of TRU waste process capability, and deferral of mixed low-level waste treatment and disposition. Shannon also provided information on which TPA milestones are at risk due to technical issues, including initiating sludge treatment, completing removal of K Basins, initiating soil remediation at K West Basin, initiating response actions for remaining waste sites, and retrieval, certification and treatment of waste on the Central Plateau.

Regulator Perspectives

- Rod Lobos, EPA, said EPA received a presentation from DOE-RL on the FY08 and FY09 budgets on February 4. Rod said EPA still has questions about what work scope is included and what is not included in the FY09 budget request. Shannon said DOE is still planning to do a more detailed briefing with EPA that will include more information about what is included.

- Ron Skinnarland, Ecology, said the FY09 budget request had a \$500 million shortfall which means there will be impacts to waste treatment, soil remediation, and other operations. Ron said Ecology hopes the HAB will help identify effective ways to carry out cleanup given the budget constraints. Due to the funding shortfalls a lot of money will go to minimum operations and safety.

Committee Discussion

- *For the operable units in jeopardy, is there information available on what is and is not funded?* Jeff Frey said DOE-RL's project team is currently working to determine how much of the work scope can be completed. Based on this determination, DOE-RL will decide how much of each project should get done or if one or a few projects should be completely finished instead of doing a little work in each area.
- *Are the shipping containers at the Plutonium Finishing Plant (PFP) included in the FY09 budget request?* Jeff said there has been a reprioritization of work to fund the PFP shipping containers.
- *Who decides which waste sites are high priorities?* Rod said the high priority sites are defined in the TPA milestones.
- *What does "minimal certification of TRU waste" mean?* Jeff said it means DOE will not work to certify back logs of TRU waste or to identify additional work.
- *What technical issues are involved in K West?* Shannon said technical issues at K West concern sludge treatment. The main issue is final disposition of the sludge; i.e. whether it will go to the Yucca Mountain in Nevada. Disposal at Yucca Mountain is assumed, but there are technical issues with acceptance that need to be worked through.
- *Where does the fuel go?* Jeff said the fuel will go to Yucca Mountain in Nevada; it is currently being stored on site at Hanford. Al asked when DOE expects to ship the fuel. Shannon said the dates of 2023-2024 for shipping fuel are in the milestones because WIPP was not supposed to be open until 2017. Jeff added they can safely store the fuel at the Canister Storage Building (CSB) temporarily until WIPP is available. Al suggested that DOE consider designing the sludge treatment process to also oxidize the fuel.
- *Will there be a record of decision (ROD) for the long term surveillance and maintenance of PFP?* Shannon said DOE-RL's baseline assumption is for deactivation and decommissioning (D&D) of PFP. Jeff said PFP will be in standby mode for a long time and DOE will not take action on a ROD until they get back to focusing on that cleanup effort. The ROD will cover a lot more than just PFP because it is included in the TC&WM EIS.
- *Is there funding included in the FY09 budget request for a new building for the M91 facility?* Shannon explained the allocation is for the current plant operations. The data analysis for the new plant was funded in 2008 but not in 2009. Pam wondered how much money is needed in 2009 for this work. Shannon said between \$20 and 30 million is needed.

- *Will the cost of certifying the waste recovered create more of a backlog?* Shannon explained that the total amount of waste retrieved will not go to WIPP, but DOE will try to certify everything that is retrieved.
- *How much of the mixed waste milestone will be missed?* Shannon said no mixed waste treatment will be done in 2009. Jeff added that this waste is not necessarily a high risk. Jeff also said mixed waste is a subcontract therefore DOE can reduce the treatment of mixed waste without affecting the onsite workforce. Gerry felt that the mixed waste material is high risk because it includes volatiles, flammables, and PCBs. Jeff said keeping mixed waste in the ground is not a safe solution either.
- *Have the infrastructure replacements been identified?* Shannon said they have not specifically identified which elements will be replaced, but she expects most of the replacements will be within the water system.
- *Why is fleet service, nuclear facility D&D, and Hazardous Materials Management and Emergency Response (HAMMER) Training and Education facility included instead of the programs it supports?* Shannon said there is not a specific infrastructure PBS. The category covering the “remainder of Hanford” is primarily Central Plateau facilities; the other D&D activities fall under other programs. Cathy Andrews-Smith, DOE-RL, added that each PBS has money in their budget for training but the allocation is for base operations.
- *If DOE intends to complete offsite shipment of plutonium in 2009 will that result in a reduction in safeguard and security funding?* Shannon said they do not know yet because there are still some details DOE needs to deal with in the FY09 and FY10 budgets. Pam asked if they will still need the “guards and guns” around CSB. Jeff said the assumption currently is that the waste will not be at CSB very long so they can maintain the facility at a certain profile. If the waste does not get shipped and long term storage is necessary, the storage could cost more because of the needed improvements.
- *Is there an identified funding level to restore the 2009 TPA milestones that are at risk?* Shannon said that information could be found in the delta between what DOE-RL requested and what they received. Gerry said if something was already over target you cannot tell from the request and allocation what it would take to achieve the milestone. Ron said the regulatory agencies are still waiting to see the detail in the scope of work and will be able to provide more context to this question during the workshop.
- *Is it true that a substantial amount of money for the groundwater program was actually from consolidated activities?* Jeff said some of that was from the remedial investigation/feasibility study (RI/FS) work, but the net increase was \$20 to \$30 million. Maynard said the public perceived this as a true \$60 million increase and does not realize it is really only \$20 to \$30 million.
- *Is the funding request at \$165 million for the soil in the River Corridor beneath the minimum funding level in the contract?* Shannon said it is; DOE-RL had a request of \$245 million so it is \$80-90 million short of the contract minimum. Gerry asked what the implications are of that shortfall. Jeff said there are some requests for equitable

adjustments (REAs) DOE-RL is working through with the contractor and will better understand the contract needs after that process is complete.

- Gerry commented that he is concerned about providing unrestricted use of the River Corridor. He asked DOE to articulate the impacts of the budget cuts on unrestricted use of the Columbia River Corridor during the budget workshops.
- Pam commented that she is worried about losing Hanford's place in the queue for shipping waste to WIPP.
- Greg deBruler asked if anyone is working on identifying the big picture deficit in Hanford funding over the last six years. Greg felt stakeholders need an analysis they can use to convey to the public there is a budget crisis at Hanford. Jeff Frey said he thought DOE was very clear last spring when depicting the lifecycle problems Hanford faces by the funding provided by EM. Jeff said DOE will use the best tools they have and make the budget request necessary to execute the TPA. The budget gap has grown and will continue to grow because DOE-RL and DOE-ORP have not received the target funding amounts requested.
- Gerry agreed DOE-RL did a great job of showing the budget shortfall in the out years, but said no one has done the analysis of making up the money that is missing over time. Jeff said he fears putting together the total funding needs of the Hanford project would make it un-sellable to the appropriators. Jeff said DOE could compile those numbers but the question should be asked if it is useful in getting a cleanup plan for Hanford. Greg said he understands the concern about coming out with these large numbers, but said the numbers are necessary to make the problem real.
- Harold Heacock said that Nick Ceto, EPA, made a good point that in many cases the agencies have not agreed to cleanup end states. This will be a TPA negotiation point for how much it will take to cleanup the site. The "bow wave" effect on cleanup from funding shortfalls is partially due to how much is going to be done
- Pam asked the committee to keep in perspective that DOE got more money in 2008 than any other department in the country. Gerry said the national cleanup funding level is down \$660 million when you compare 2007 funding to 2008. Hanford should be forty percent of that pie. Keith said this goes to show that the premise of closing other smaller sites to provide more money for larger sites like Hanford may not have been accurate.
- Al commented the 2009 request was identical to the final operating plan developed in 2007. The level of effort of cleanup at Hanford should not be evaluated in dollars; it should be based on man power and materials. The difference between 2007 and 2009 should have been 15 percent higher to maintain the cleanup pace due to inflation.
- Maynard commented that in previous years the site has been focused on studying and analyzing; now the site is getting into execution and will need a lot more funding to execute these tasks. DOE-HQ and Congress need to be reminded of this; the site cannot work with segmented funding. Jeff agreed that many of DOE's projects are growing and the funding needs continue to grow as well.

Committee Business

Gerry asked if the committee would like to draft advice focusing on the FY09 budget request for the April Board meeting. Harold felt the advice was warranted and could be useful to address the Board's delegations to get them involved in the funding issues. Pam also agreed the advice should move forward and said she would like to make sure the M91 money and retrieval for more tanks is included. Ken agreed the advice was appropriate and thought Pam's comment about losing Hanford's spot in the queue at WIPP was important to include as well. Gerry added the topics of TRU retrieval, mixed waste treatment, 618-10 & 11 burial grounds, slippage from the 100 and 300 areas work, and the apparent increase in groundwater funding being shifted from other areas. Gerry, Keith, and Ken agreed to collaborate on drafting advice.

Ron provided Ecology's input into the baseline workshop project focus areas. Ecology listed 618-10 & 11, PW 1/3/6, M91 scope and schedule, and groundwater as topics for DOE-RL to cover. Ecology also listed IPS, supplemental treatment, tank waste retrieval, and infrastructure upgrades as topics for DOE-ORP to cover. Ron told the committee to feel free to select among these, based on which they feel are appropriate. Maynard said the River and Plateau Committee (RAP) also discussed topics for the baseline workshop and agreed that PW 1/3/6, ZP1, SW1 & 2, and 618-10 & 11 should be included. Maynard said he would be sure to pass on the whole list developed during the RAP meeting to Gerry to use in planning the workshop.

Gerry said the committee will have to wait for DOE-ORP and DOE-RL guidance before scheduling the 2010 budget workshop.

Handouts

NOTE: Copies of meeting handouts can be obtained through the Hanford Advisory Board Administrator at (509) 942-1906, or tholm@enviroissues.com

- FY 2009 Congressional Budget Request – Environmental Management Richland Operations Office, DOE-ORP, February 12, 2008.

Attendees

HAB Members and Alternates

Al Boldt	Gerry Pollet	
Greg deBruler	Dick Smith	
Ken Gasper	Keith Smith	
Harold Heacock		
Pam Larsen		
Maynard Plahuta		

Others

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